



FACT

FOUNDATION FOR
ACCOUNTABILITY
AND CIVIC TRUST

January 28, 2022

Ms. Lisa J. Stevenson
Acting General Counsel
Office of the General Counsel
Federal Election Commission
1050 First Street, NE
Washington, D.C. 20463

Email: EnfComplaint@fec.gov

COMPLAINT BEFORE THE FEDERAL ELECTION COMMISSION

RE: Request for Investigation into Marie Newman's Use of Campaign Funds

Dear Ms. Stevenson,

The Foundation for Accountability and Civic Trust (FACT) is a nonprofit organization dedicated to promoting accountability, ethics, and transparency in government and civic arenas. This complaint is submitted, upon information and belief, to request the Federal Election Commission investigate whether Rep. Marie Newman and her campaign committee illegally used campaign funds.¹

Evidence demonstrates that when she was a candidate in the 2020 primary election, Rep. Newman promised a government job to a potential political opponent so that he would not run against her in the primary. In fact, nearly two years before she was elected, Newman entered into a written contract memorializing their agreement for her Congressional office to hire him and pay him with taxpayer funds should she be elected to Congress. However, she did not hire him when she was elected and consequently he sued her for breach of contract. Because Newman's offer of federal employment appeared to be a serious violation of both federal law and House

¹ This complaint is submitted pursuant to 52 U.S.C. § 30109(a)(1) and is against Marie Newman and Marie Newman for Congress, FEC #C00636670, PO Box 549 La Grange, IL 60525.

Ethics rules, the Office of Congressional Ethics (OCE) began investigating Newman.² Soon after she was informed of the pending ethics investigation, Newman settled the civil lawsuit, began paying the potential opponent a “salary” with her federal campaign funds, and prevented him from testifying in the OCE investigation by including a non-disclosure agreement as part of the settlement. We request the Federal Election Commission (FEC) investigate whether Newman’s use of campaign funds is a legitimate campaign expense and take appropriate enforcement actions.³

FACTS

Contract for Employment. Following the Democratic Congressional primary held in 2018, both Marie Newman and Iymen Chehade were planning to run for Congress in 2020 to represent Illinois’ Third Congressional District.⁴ Newman had run and lost in the 2018 primary, and Chehade began exploring his own 2020 run shortly thereafter.⁵

Newman met with Chehade on October 23, 2018,⁶ and the subject of the meeting was described in a subsequent email. In the email dated October 27, 2018, detailing their negotiations and the terms they discussed in the meeting, Chehade stated:

² Committee on Ethics, *Statement of the Chairman and Ranking Member of the Committee on Ethics Regarding Rep. Marie Newman*, Jan. 24, 2022, available at: <https://ethics.house.gov/press-releases/statement-chairman-and-ranking-member-committee-ethics-regarding-representative-54>.

³ “If the Commission, upon receiving a complaint . . . has reason to believe that a person has committed, or is about to commit, a violation of [Act] . . . [t]he Commission shall make an investigation of such alleged violation.” 52 U.S.C. § 30109(a)(2); 11 C.F.R. § 111.4(a).

⁴ Lynn Sweet, *Rep. Marie Newman, In a Democratic Primary with Rep. Sean Casten, Faces Political Damage from Ethics Probe*, Chicago Sun Times, Dec. 12, 2021, available at: <https://chicago.suntimes.com/columnists/2021/12/12/22831391/rep-marie-newman-democratic-primary-rep-sean-casten-faces-political-damage-ethics-probe>; Dana Kozlov, ‘You’re Breaking Contracts’: U.S. Congresswoman Sued for Not Hiring Would-Be Rival, CBS Chicago, May 21, 2021, available at: <https://chicago.cbslocal.com/2021/05/21/congresswoman-marie-newman-contract-suit/>.

⁵ *Chehade v. Newman*, No. 2021L000626, Circuit Ct. of Cook County IL, filed Jan. 19, 2021 (attached as Exhibit A); Lynn Sweet, *Rep. Marie Newman, In a Democratic Primary with Rep. Sean Casten, Faces Political Damage from Ethics Probe*, Chicago Sun Times, Dec. 12, 2021, available at: <https://chicago.suntimes.com/columnists/2021/12/12/22831391/rep-marie-newman-democratic-primary-rep-sean-casten-faces-political-damage-ethics-probe>.

⁶ Office of the Congressional Ethics, U.S. House of Reps., *Report*, Review No. 21-3052, page 10, available at: <https://ethics.house.gov/sites/ethics.house.gov/files/documents/OCE%20Reports%20and%20Findings.pdf> (attached as Exhibit B).

“Chehade agrees not to announce or submit his candidacy for election to Congressional Representative of the 3rd District of Illinois. In exchange, Newman will hire Chehade as her Chief Foreign Policy Advisor.”⁷

Newman responded to the email, and did not refute Chehade’s description above but did state: “Took some time to digest the doc. Most of it looks good. Couple of concerns—mostly phraseology.”⁸

On December 26, 2018, Newman and Chehade entered into a written contract to memorialize Newman’s offer of government employment as described in the email exchange.⁹ The contract between Newman and Chehade contained very specific terms: Chehade’s employment as a “Chief Foreign Policy Advisor” and a “District Director OR Legislative Director” was to begin on January 3, 2021, at a salary of “no less than between \$135,000 and \$140,000 per year.”¹⁰ This would make Chehade one of Newman’s highest paid staffers.¹¹ Other contract terms covered Chehade’s participation in staffing decisions, his ability to continue teaching, private office space, reimbursement for supplies, vacation time, and employee

⁷ *Id.*

⁸ Office of the Congressional Ethics, U.S. House of Reps., *Report*, Review No. 21-3052, page 11 (attached as Exhibit B). Newman claimed she was “outraged” about Chehade’s email, but the OCE found her claim of “outrage” was “not supported by documentary evidence” and then pointed to this email response. *Id.*, page 10.

⁹ Lynn Sweet, *Rep. Marie Newman, In a Democratic Primary with Rep. Sean Casten, Faces Political Damage from Ethics Probe*, Chicago Sun Times, Dec. 12, 2021, available at: <https://chicago.suntimes.com/columnists/2021/12/12/22831391/rep-marie-newman-democratic-primary-rep-sean-casten-faces-political-damage-ethics-probe>; Dana Kozlov, ‘You’re Breaking Contracts’: U.S. Congresswoman Sued for Not Hiring Would-Be Rival, CBS Chicago, May 21, 2021, available at: <https://chicago.cbslocal.com/2021/05/21/congresswoman-marie-newman-contract-suit/>; Chehade v. Newman, No. 2021L000626, Circuit Ct. of Cook County IL, filed Jan. 19, 2021 (attached as Exhibit A).

¹⁰ Office of the Congressional Ethics, U.S. House of Reps., *Report*, Review No. 21-3052, page 7 (attached as Exhibit B).

¹¹ Lynn Sweet, *Rep. Marie Newman, In a Democratic Primary with Rep. Sean Casten, Faces Political Damage from Ethics Probe*, Chicago Sun Times, Dec. 12, 2021, available at: <https://chicago.suntimes.com/columnists/2021/12/12/22831391/rep-marie-newman-democratic-primary-rep-sean-casten-faces-political-damage-ethics-probe>.

benefits.¹² *The Chicago Sun-Times* reported, “The contract would automatically renew and continue as long as Newman was in the House, a very unusual provision.”¹³

Newman won both the primary election on March 17, 2020 and the general election on November 3, 2020, and began her term on January 3, 2021. Newman, however, did not hire Chehade and consequently Chehade filed suit for breach of contract on January 19, 2021, seeking specific performance of the contract and money damages.¹⁴ Chehade’s federal pleadings stated: “In an effort to induce Chehade not to run against her in the [2020] primary,” Newman promised Chehade government employment with her Congressional office should she win the election.¹⁵ In response to the lawsuit, “House General Counsel Douglas Letter acknowledged Newman had signed the employment agreement, but did so as a private citizen prior to winning election to Congress in 2020. Letter contended Newman’s acts as a private citizen could not be enforced in her public office as congresswoman.”¹⁶ The propriety of a promise of government employment in exchange for an agreement not to run for office was not addressed by Newman’s counsel.¹⁷

OCE Complaint & Investigation. In March 2021, FACT filed a complaint with the Office of Congressional Ethics seeking an investigation into Newman for violations of both federal law and House ethics rules.¹⁸ The conduct of House Members is governed by a number of

¹² Office of the Congressional Ethics, U.S. House of Reps., *Report*, Review No. 21-3052, page 7 (attached as Exhibit B).

¹³ Lynn Sweet, *Rep. Marie Newman, In a Democratic Primary with Rep. Sean Casten, Faces Political Damage from Ethics Probe*, *Chicago Sun Times*, Dec. 12, 2021, available at: <https://chicago.suntimes.com/columnists/2021/12/12/22831391/rep-marie-newman-democratic-primary-rep-sean-casten-faces-political-damage-ethics-probe>.

¹⁴ *Id.*

¹⁵ *Chehade v. Newman*, No. 2021L000626, Circuit Ct. of Cook County IL, filed Jan. 19, 2021, (attached as Exhibit A).

¹⁶ Rick Pearson, *House Ethics Committee Extends Investigation of Complaint Against U.S. Rep. Marie Newman into 2022*, *Chicago Tribune*, Dec. 10, 2021, available at: <https://news.yahoo.com/house-ethics-committee-extends-investigation-210600018.html>.

¹⁷ Office of the Congressional Ethics, U.S. House of Reps., *Report*, Review No. 21-3052, page 13 (attached as Exhibit B).

¹⁸ FACT’s complaint was made public at the time it was submitted to the OCE.

different legal sources, including criminal law, the Code of Official Conduct, and the Code of Ethics for Government Service, which are all incorporated into the House Ethics Manual.¹⁹

Under federal law, it is illegal for a candidate to promise public employment to any person with the purpose of procuring support for her candidacy.²⁰ Specifically, 18 U.S.C. section 599 states:

“[W]hoever, being a candidate, directly or indirectly promises or pledges the appointment, or the use of his influence or support for the appointment of any person to any public or private position or employment, for the purpose of procuring support in his candidacy shall be fined under this title or imprisoned not more than one year, or both; and if the violation was willful, shall be fined under this title or imprisoned not more than two years, or both.”

Additionally, it is a violation of House ethics rules for a candidate or House Member to use taxpayer funds to pay a primary challenger to not run against her. House ethics rules require a Member to “behave at all times in a manner that shall reflect creditably on the House”²¹ and to “adhere to the spirit and the letter of the Rules of the House and to the rules of duly constituted committees thereof.”²² Moreover, House Members must uphold the laws of the United States and never be a party to their evasion, and violating statutory law may also be a violation of the House Ethics rules.²³ Finally, a Member must “[n]ever discriminate unfairly by the dispensing of special favors or privileges to anyone, whether for remuneration or not; and never accept for himself or his family, favors or benefits under circumstances which might be construed by reasonable persons as influencing the performance of his governmental duties.”²⁴ All of these ethics rules

¹⁹ House Ethics Manual, Comm. on Standards of Official Conduct, U.S. House of Reps., at 2-4 (2008 ed.).

²⁰ 18 U.S.C. § 599.

²¹ House Rule 23, clause 1.

²² House Rule 23, clause 2.

²³ According to the House Ethics Manual, “the Code of Ethics for Government Service, which applies to House Members and staff, provides in ¶ 2 that government officials should ‘[u]phold the Constitution, laws and legal regulations of the United States and of all governments therein and never be a party to their evasion.’ Accordingly, in violating FECA or another provision of statutory law, a Member or employee may also violate these provisions of the House rules and standards of conduct.” House Ethics Manual, page 22.

²⁴ Code of Ethics for Government Service, ¶ 5.

would be violated by a candidate promising government employment in order to induce a primary opponent to not run against her.

The OCE complaint was made public when it was filed in March 2021 and Newman was officially notified of the OCE investigation on June 17, 2021.²⁵

Newman Settles Lawsuit. On June 29, 2021, just twelve days after she was officially notified the OCE was investigating her, Newman settled the lawsuit with Chehade. Chehade later refused to participate with the OCE's investigation "citing concerns over violating a nondisclosure agreement signed as a part of the lawsuit's eventual settlement."²⁶

Just two days after settling the lawsuit, Newman's campaign began making payments to Chehade. It is important to first note that it appears extremely unlikely that, given their past experience working together, Newman would now employ Chehade. To this point, Newman testified that Chehade had performed work for her 2018 campaign, i.e. drafting a statement on foreign policy, but she had found his work product "not acceptable" and she had to "rewrite the entire thing."²⁷ She also described his behavior as "disrespectful" to her, another campaign staff member, and "members of the community," and that he was "very hard to get along with."²⁸ In May 2021, a spokesperson for Newman stated: "Mr. Chehade was not hired in part because he not only misrepresented his qualifications but was ill-suited for a senior role in a congressional office, as demonstrated by his interactions with Ms. Newman and her campaign volunteers."²⁹

²⁵ Office of the Congressional Ethics, U.S. House of Reps., *Report*, Review No. 21-3052, page 4 (attached as Exhibit B).

²⁶ Lynn Sweet, *Rep. Marie Newman, In a Democratic Primary with Rep. Sean Casten, Faces Political Damage from Ethics Probe*, Chicago Sun Times, Dec. 12, 2021, available at: <https://chicago.suntimes.com/columnists/2021/12/12/22831391/rep-marie-newman-democratic-primary-sean-casten-faces-political-damage-ethics-probe>; Office of the Congressional Ethics, U.S. House of Reps., *Report*, Review No. 21-3052, page 11 (attached as Exhibit B).

²⁷ Office of the Congressional Ethics, U.S. House of Reps. *Exhibits*, Review No. 21-3052 (Transcript of Interview of Marie Newman, Sept. 2, 2021, page 46).

²⁸ Office of the Congressional Ethics, U.S. House of Reps. *Exhibits*, Review No. 21-3052 (Transcript of Interview of Marie Newman, Sept. 2, 2021, page 45).

²⁹ Dana Kozlov, 'You're Breaking Contracts': U.S. Congresswoman Sued for Not Hiring Would-Be Rival, CBS Chicago, May 21, 2021, available at: <https://chicago.cbslocal.com/2021/05/21/congresswoman-marie-newman-contract-suit/>.

Yet, Newman’s campaign reported it began making payments to Chehade for “salary” on July 1, 2021, which up to the last reporting date totaled \$29,500 as detailed in the table below:³⁰

Spender	Recipient	Description	Date	Amount
Marie Newman For Congress	Hamman Chehade	Salary	7/1/21	\$5,000
Marie Newman For Congress	Hamman Chehade	Salary	7/13/21	\$7,500
Marie Newman For Congress	Hamman Chehade	Salary	8/13/21	\$7,500
Marie Newman For Congress	Hamman Chehade	Salary	9/15/21	\$7,500
Marie Newman For Congress	Hamman Chehade	Salary	9/28/21	\$2,000
TOTAL				\$29,500

Even though the payments were described as “salary,” the payments were made on a different schedule than all other campaign staff.³¹ Additionally, the payments made Chehade a highly “paid staffer in the third quarter — more than double what two other Newman campaign staffers were paid during the same period.”³²

When questioned about the salary payments, Chehade reportedly stated he was the “Director of Foreign Policy and Research” for the Newman campaign.³³ However, on August 30, 2021, Newman’s campaign manager was questioned about his interaction with Chehade and stated, “[Chehade] does have a few deliverables **as part of the settlement** that he sends to me, but there’s very minimal interaction between the two of us.”³⁴ When reporters asked for

³⁰ Marie Newman For Congress, Disbursements, Federal Election Commission, accessed Jan. 25, 2022, available at: https://www.fec.gov/data/disbursements/?committee_id=C00636670&two_year_transaction_period=2022&recipient_name=HAMMAN+CHEHADE&data_type=processed

³¹ Marie Newman For Congress, Disbursements, Federal Election Commission, accessed Jan. 25, 2022, available at: https://www.fec.gov/data/disbursements/?committee_id=C00636670&two_year_transaction_period=2022&data_type=processed

³² Lynn Sweet, *Rep. Marie Newman, In a Democratic Primary with Rep. Sean Casten, Faces Political Damage from Ethics Probe*, Chicago Sun Times, Dec. 12, 2021, available at: <https://chicago.suntimes.com/columnists/2021/12/12/22831391/rep-marie-newman-democratic-primary-rep-sean-casten-faces-political-damage-ethics-probe>.

³³ *Id.*

³⁴ Office of the Congressional Ethics, U.S. House of Reps. *Exhibits*, Review No. 21-3052 (Transcript of Witness Two, Aug. 30, 2021, page 17) (emphasis added).

Cehade’s work product, the campaign “sent two briefing papers: 12 pages of policy recommendations on the Palestinian-Israeli crisis and 9 pages on Kashmir.”³⁵

On October 29, 2021, Newman announced she would run in Illinois’ Sixth Congressional District rather than the Third Congressional District that she currently represents.³⁶ On December 2, 2021, Cehade began his campaign for the Third Congressional District by filing with the FEC to create his campaign committee, “Im In With Iymen.”³⁷ Even though Cehade is running for his own congressional seat, he stated his job with the Newman campaign would continue through 2022.³⁸

OCE Investigation & Referral to The House Ethics Committee. The OCE’s investigation found substantial evidence that Newman offered Cehade a government position in order to prevent him from running against her in a primary, including:

- (1) The correspondences between Cehade and Newman before signing the contract specify the exact purpose of the contract: “Cehade agrees not to announce or submit his candidacy for election to Congressional Representative of the 3rd District of Illinois. In exchange, Newman will hire Cehade as her Chief Foreign Policy Advisor.” Not only does Newman not refute that statement, but she describes the terms as “good” and only mentions some concerns with “phraseology.”
- (2) Shortly after the email exchange, Newman and Cehade do in fact enter into the written contract as discussed in their emails, confirming the accuracy of the email exchange and the stated purpose of the contract.

³⁵ Lynn Sweet, *Rep. Marie Newman, In a Democratic Primary with Rep. Sean Casten, Faces Political Damage from Ethics Probe*, Chicago Sun Times, Dec. 12, 2021, available at: <https://chicago.suntimes.com/columnists/2021/12/12/22831391/rep-marie-newman-democratic-primary-rep-sean-casten-faces-political-damage-ethics-probe>.

³⁶ Bob Uphues, *Newman Vows Run In 6th District After Mapping Snub*, Riverside-Brookfield Landmark, Oct. 29, 2021, available at: <https://www.rblandmark.com/2021/10/29/newman-vows-run-in-6th-district-after-mapping-snub/>.

³⁷ Im In With Iymen, Statement Of Organization, Federal Election Commission, filed on Nov. 11, 2021, available at: <https://docquery.fec.gov/cgi-bin/forms/C00796235/1550553/>.

³⁸ Lynn Sweet, *Rep. Marie Newman, In a Democratic Primary with Rep. Sean Casten, Faces Political Damage from Ethics Probe*, Chicago Sun Times, Dec. 12, 2021, available at: <https://chicago.suntimes.com/columnists/2021/12/12/22831391/rep-marie-newman-democratic-primary-rep-sean-casten-faces-political-damage-ethics-probe>.

- (3) The timing and terms of the contract itself demonstrate Newman’s purpose. Newman hired Chehade as Congressional staff nearly two years before she was elected. The terms of the contract were very specific, unusual, and favorable to Chehade. This also indicates the consideration exchanged included Chehade not running against Newman.
- (4) Although Newman claimed during the OCE investigation that she did not know of Chehade’s intent to run against her and that she was “outraged and incensed” by Chehade’s email, the OCE found **Newman’s claims were not supported by the evidence.**³⁹

On October 15, 2021, the OCE completed its investigation and found:

“In summary, the evidence collected by the OCE supports a finding that Rep. Newman had knowledge of Mr. Chehade’s intent to run for the 2020 congressional seat when she knowingly entered into an employment contract with Mr. Chehade promising him future employment in her official office if he did not submit or announce his candidacy for the same congressional seat.”⁴⁰

The Board voted **six to zero** to adopt the report and its findings, and to refer the case to the House Ethics Committee. On October 25, 2021, the OCE transmitted the matter to the House Ethics Committee.⁴¹

LEGAL ANALYSIS

It is illegal for a candidate to promise a government job in order to procure political support. While this is obviously illegal because it undermines our democracy, it also has other implications such as abusing taxpayer funds, not having government employees hired on merit, and undermining public trust in government.

However, what specifically brings this case under the FEC’s jurisdiction is not illegally offering government employment in order to get a primary opponent not to run—it is the

³⁹ Office of the Congressional Ethics, U.S. House of Reps. *Report*, Review No. 21-3052, page 10 (attached as Exhibit B).

⁴⁰ Office of the Congressional Ethics, U.S. House of Reps. *Report*, Review No. 21-3052, page 12 (attached as Exhibit B).

⁴¹ *Id.*, page 13.

apparent cover-up and the use of campaign funds. Federal law is clear: a candidate may only use campaign funds for legitimate campaign purposes.⁴² Consequently, campaign funds may not be used for personal purposes or other purposes not related to the campaign.⁴³

While Newman's campaign describes the payments to Chehade as a "salary", a salary payment must be for "bona fide services to a campaign" and not in excess of the fair market value.⁴⁴ Numerous facts discussed below indicate otherwise, including (1) that Newman settled the civil lawsuit shortly after she was notified of the OCE investigation, (2) through the settlement Newman obtained the benefit of preventing Chehade from testifying against her in the pending OCE investigation, and (3) Newman's campaign began making "salary" payments to Chehade just two days after Newman settled the lawsuit with him.⁴⁵ Thus, the facts surrounding Newman's payments to Chehade demand that the FEC investigate to determine whether these payments are in fact for the described purpose and a legitimate, legal use of campaign funds.

First, the facts set forth above speak for themselves and demonstrate that Newman offered Chehade a government position to prevent him from running against her in a primary. The email correspondence between Newman and Chehade detailed the purpose of the contract, the subsequent contract was as described in the email correspondence, the contract was oddly both written and signed nearly two years before Newman was elected, and the terms of the contract were extremely favorable to Chehade (demonstrating the consideration exchanged included him not running against Newman in the primary). The OCE also found Newman's

⁴² 52 USC § 30114.

⁴³ *Id.* Personal use "means any use of funds in a campaign account of a present or former candidate to fulfill a commitment, obligation or expense of any person that would exist irrespective of the candidate's campaign or duties as a Federal officeholder." 11 C.F.R. § 113.1(g).

⁴⁴ *See, e.g.*, 11 C.F.R. § 113.1(g)(1)(i)(H) ("Salary payments to a member of the candidate's family, unless the family member is providing bona fide services to the campaign. If a family member provides bona fide services to the campaign, any salary payment in excess of the fair market value of the services provided is personal use.").

⁴⁵ The FEC determines whether a "legal expense," such as the payment of attorney fees, is a campaign or personal expense on a case-by-case basis. 11 C.F.R. § 113.1(g)(1)(ii)(A). In this case, Newman's campaign made payments for legal expenses, which the FEC should additionally review to determine whether they are a campaign or personal expense. In this case, any attorney fees or expenses related to settling the lawsuit should not be considered a "legal expense." It would be contrary to public policy to allow a candidate to settle a lawsuit with campaign funds, pay for the legal fees to do so from campaign funds, and attempt to prevent testimony in an ethics or criminal case.

claims were not supported by documentary evidence,⁴⁶ and she "likely was motivated to enter the agreement to avoid competing against Mr. Chehade in the next Democratic primary."⁴⁷

Then there is the relationship between the settlement, the OCE investigation, and the salary payments. Twelve days after Newman was formally notified of the OCE investigation, she settled the lawsuit with Chehade. Chehade had previously stated in emails and federal court pleadings that Newman offered him government employment in exchange for him not running against her in the primary—evidence that Newman would not have wanted Chehade to reiterate in testimony in the OCE investigation. By settling the case, Newman prevented Chehade from testifying and participating in the OCE investigation with a nondisclosure agreement.

Just two days after the settlement, Newman began paying Chehade a "salary" from her congressional campaign. It is clear the salary payments are related to the settlement—Newman's campaign manager testified as such. Moreover, the facts surrounding the salary payments further demonstrate the payments are likely not for fair market services to the campaign. Given Newman's past experience with Chehade's work in her 2018 campaign, which she found "not acceptable," it is unlikely Newman would later hire him to do similar work for her current campaign and pay him thousands of dollars to do so. In spite of the fact Chehade stated he was the "Director of Foreign Policy and Research" and is a highly paid staff member, he is not paid on the same schedule as all other campaign staff and has little contact with the campaign manager other than sending "a few deliverables." Finally, Chehade is now himself running to represent the Third Congressional District, but he stated he expects the campaign to continue to pay him. These facts clearly indicate this is not a "salary" payment, but that there is actually other consideration being exchanged (i.e. settlement of a lawsuit) for the payments.

All of the above facts indicate that the salary payments may not be for a legitimate service to the Newman campaign at a fair market value. In addition, there is a public policy concern presented here. Generally, a candidate and House member who is the subject of an ethics investigation should not be permitted to use her campaign funds to attempt to cover-up a criminal or ethics investigation. In this case, Newman was the subject of a serious ethics investigation and

⁴⁶ Office of the Congressional Ethics, U.S. House of Reps., *Report*, Review No. 21-3052, page 10 (attached as Exhibit A).

⁴⁷ *Id.*, page 8.

by settling the lawsuit with Chehade she prevented him from testifying in the investigation and then contemporaneously began paying him salary from her campaign funds. This clearly raises grave concerns about abuse of campaign funds. We request the FEC immediately investigate the above payments to determine if they are permissible under federal law.

Respectfully submitted,

Kendra Arnold
Executive Director
Foundation for Accountability & Civic Trust
1717 K Street NW, Suite 900
Washington, D.C. 20006

STATE OF _____)
) ss.
COUNTY OF _____)

Subscribed and sworn to before me on January_____, 2022.

Notary Public in and for the State of _____